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SENATE BILL 75

46TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2004

INTRODUCED BY

Dede Feldman

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

RELATING TO TAXATION; REFORMING TAX ADMINISTRATIVE PROCEDURES;
MAKING REVENUE FROM CERTAIN UNTAXED INSURANCE ADMINISTRATIVE
SERVICES SUBJECT TO THE GROSS RECEIPTS TAX.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 7-9-24 NMSA 1978 (being Laws 1969,
Chapter 144, Section 17, as amended) is amended to read:

"7-9-24. EXEMPTION--GROSS RECEIPTS TAX--INSURANCE
COMPANIES.--Exempted from the gross receipts tax are the
receipts of an insurance ~~[companies]~~ company or ~~[any]~~ an agent
thereof from ~~premi~~ums and any consideration received by a
property bondsman, as that person is defined in Section
59A-51-2 NMSA 1978, as security or surety for a bail bond in
connection with a judicial proceeding; provided that this
exemption does not apply to receipts from administrative

underscored material = new
[bracketed material] = delete

1 services only contracts. "

2 Section 2. Section 59A-6-6 NMSA 1978 (being Laws 1984,
3 Chapter 127, Section 106, as amended) is amended to read:

4 "59A-6-6. PREEMPTION AND IN LIEU PROVISION. -- The state
5 government of New Mexico preempts the field of taxation of
6 insurers, nonprofit health care plans, health maintenance
7 organizations, prepaid dental plans, prearranged funeral plans
8 and insurance agents and solicitors as such, and payment of the
9 taxes, licenses and fees provided for in the Insurance Code
10 shall be in lieu of all other taxes, licenses and fees [~~of~~
11 ~~every kind now or hereafter~~] imposed by this state or any
12 political subdivision thereof on any of the [~~foregoing~~]
13 specified entities, [~~excepting the regular state, county and~~
14 ~~city taxes on property located in New Mexico excepting the~~
15 except property taxes imposed pursuant to the Property Tax
16 Codes, gross receipts taxes and local options gross receipts
17 taxes on receipts of insurers for administrative services only
18 contracts and income tax on agents and solicitors. As used in
19 this section, "agent" does not include insurance adjusters. No
20 provision of law enacted after January 1, 1985 shall be deemed
21 to modify this provision except by express reference to this
22 section. "

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